

**Before the  
UNITED STATES COPYRIGHT ROYALTY JUDGES  
Washington, D.C.**

**In the Matter of:**

**Determination of Rates and Terms  
for Making and Distributing  
Phonorecords (Phonorecords IV)**

**Docket No. 21–CRB–0001–PR  
(2023–2027)**

**December 7, 2022**

**Comments of the Recording Academy**

The Recording Academy appreciates the opportunity to submit these comments in support of the Judges' rule proposing to adopt the negotiated settlement between Copyright Owners (Nashville Songwriters Association International (NSAI) and National Music Publishers Association (NMPA)) and digital service providers (Amazon, Apple, Google, Pandora, and Spotify).

The Recording Academy ("Academy"), best known for celebrating artistic excellence through the annual GRAMMY Awards, represents thousands of songwriters, performers, producers, and engineers. The Academy is the only music trade association that represents all music professionals. It represents only individuals and has no company or corporate members; included in its membership are thousands of working songwriters and composers, many of whom are independent, self-published, or unaffiliated songwriters. In March 2021, the Academy announced the creation of the Songwriters & Composers Wing, a new Academy membership division to further amplify and elevate the voice of this important constituency, which comprises a third of our voting membership.

The Academy supports the proposed CRB regulations adopting the settlement between Copyright Owners and digital service providers (DSPs) for Phonorecords IV. First, and importantly, the settlement protects and preserves the gains that were made in Phonorecords III. The songwriting community celebrated in January 2018 when the CRB announced a rate increase of nearly 44 percent for the 2018-2022 period, from 10.5 percent to 15.1 percent. Unfortunately, songwriters have still not yet received the benefits of that increase because of a prolonged appeal process that was only resolved this year. Locking in that victory is an important gain for the songwriter community.

In addition, the settlement ensures that digital royalties for songwriters and composers will continue to grow. The settlement starts with the headline rate of 15.1 percent and increases it to 15.35 percent over the 2023-2027 period. While this rate is lower than what songwriters deserve to be paid by the streaming services, it will still provide the highest mechanical royalty rate in the world, establishing a new standard and baseline for future negotiations. Furthermore, the settlement provides rate increases for alternate rate calculations beyond the headline rate, including those for “Total Content Costs” (TCC), Family Plan Discounts, and bundles that combine music products with other offerings.

Finally, the settlement provides certainty. As discussed above, Phonorecords III resulted in a protracted legal battle that caused frustration and denied songwriters their just compensation. Instead of risking another lengthy and acrimonious process with an unknown outcome, the settlement will provide immediate resolution and a positive step forward for the songwriter community.

The Academy’s support is predicated upon the unanimous approval of its National Advocacy Committee. As an organization by, for, and of music creators, the Academy’s advocacy positions are determined by this committee of leading music makers who work in an array of creative endeavors, including songwriters, composers, performers, producers, and studio engineers.<sup>1</sup> Although there is broad recognition that songwriters still deserve greater compensation for their work, the settlement provides a framework that will allow songwriter compensation to continue to grow in the future.

The Academy also applauds the NMPA, NSAI, and the DSPs for working collaboratively to achieve this settlement and set a new tone for continued dialog between creators and platforms. The settlement creates a foundation for partnerships that effectively support songwriters and other members of the music community. The certainty this settlement brings will greatly impact music people and the Academy will continue to champion for fair compensation for the songwriters who help shape the industry.

Respectfully Submitted,

Todd Dupler  
Acting Chief Advocacy & Public Policy Officer

Recording Academy  
1200 G Street NW, Suite 950  
Washington, D.C. 20005  
December 7, 2022

---

<sup>1</sup> National Advocacy Committee, *Recording Academy*,  
<https://www.recordingacademy.com/advocacy/about/national-advocacy-committee>.